

CITY OF SAINT MARYS COUNCIL WORKSESSION

APRIL 4, 2011

CALL TO ORDER

A Council worksession of the City of Saint Marys was called to order by Mayor Sally Geyer on Monday, April 4, 2011 at 7:00 p.m. The meeting was held in the Council Room of City Hall, 11 LaFayette Street. Notice of this meeting was sent to Council on March 31, 2011, posted at City Hall, and published in the Daily Press.

ROLL CALL

Present: Mayor Sally Geyer, Bob Roberts, Daniel Hepner, Richard Dornisch, Dennis Nero, Richard Gabler, Jr., Manager David Greene. Steven Skok was excused.

VISITORS

Visitors included: Kevin O'Leary, Ned Jacob, Warren Stewart, Tina Gradizzi, Richard Sadley, Tom Farley and Ken Young. Steven Samick, Street Superintendent and Michael Mullaney, Public Works Director did not sign in.

APPROVAL OF MINUTES
March 21, 2011

Bob Roberts made a motion to approve the minutes of March 21, 2011, seconded by Richard Dornisch, and all were in favor.

APPROVAL OF MINUTES
March 29, 2011 (Joint Meeting
between City Council and Planning
Commission)

Dan Hepner made a motion to approve the minutes of March 29, 2011, seconded by Richard Dornisch, and all were in favor, except Dennis Nero, who abstained.

PUBLIC HEARING: CDBG 2010
Modifications

A Public Hearing was held for CDBG 2010 Modifications.

Mayor Geyer opened the public hearing at 7:01 p.m.

Tina Gradizzi, Community & Economic Development Coordinator, explained the purpose of the hearing was to provide for citizen participation.

The following are the proposed CDBG 2010 program modifications:

City of St. Marys Redevelopment Authority Slum/Blight Project- Modify activity description to include "Spot Blighted" projects.

City of St. Marys Housing Rehabilitation Projects- Modify activity description to include renovations to rental properties within the central business district.

Councilman Hepner questioned if the "Spot Blight" could be anywhere within the City and Ms. Gradizzi responded yes, but there would still be certain criteria that would need to be met.

Citizen Comments

There were no citizen comments.

Hearing Closed

Mayor Geyer closed the public hearing at 7:05 p.m.

CITIZEN COMMENTS ON
AGENDA TOPICS

There were no citizen comments on agenda topics.

LEGISLATIVE ACTION

Consider for adoption, Resolution No. 11-7, re: Elk County Liquid Fuel

Resolution No. 11-7 was presented for adoption to apply for an allocation of Elk County Liquid Fuel Tax Funds

CITY OF SAINT MARYS COUNCIL WORKSESSION

APRIL 4, 2011

Allocation in the amount of \$13,000, for the purchase of 1B Limestone for the City's unimproved roads.

Motion Passed Dennis Nero made a motion to approve Resolution 11-7, seconded by Richard Gabler, Jr., and all were in favor.

Award of Bids: Pipe Manager Greene stated the following bid was opened at a public meeting on Monday, March 28, 2011 for the yearly supply of drainage pipe, catch basin, and sanitary sewer supplies.

Catalone Pipe and Supply, Penfield, PA- various items/ various prices.

Motion Bob Roberts made a motion to award the bid to Catalone Pipe and Supply, seconded by Daniel Hepner.

Discussion Mayor Geyer commented the price comparison from 2010 showed a slight increase in prices.

Motion Passed Councilman Dornisch questioned if the list of items was a set amount for items that may be purchased during the year and Manager Greene responded yes, the items would be purchased on an "as needed" basis.

All were in favor to award the pipe bid to Catalone Pipe and Supply.

Stone Manager Greene stated the following bids were opened at a public meeting on Monday, March 28, 2011 for the annual supply of stone.

New Enterprise Stone, New Enterprise, PA

2a	\$18.15/ton
2rc	\$18.15/ton
#3	\$21.90/ton
Anti-Skid	\$21.15/ton
1b	\$21.15/ton
2b	\$20.90/ton
DSA	\$21.40/ton

Hanson Aggregates, Montoursville, PA

2a	\$17.75/ton
2rc	\$17.75/ton
#3	\$19.25/ton
Anti-Skid	\$18.75/ton
1b	\$20.25/ton
2b	\$19.75/ton
DSA	\$19.85/ton

Mike Beaver Trucking, Ridgway, PA

2a	\$15.00/ton
2rc	\$15.00/ton
#3	\$18.75/ton
Anti-Skid	\$18.25/ton
1b	\$18.00/ton
2b	\$17.75/ton
DSA	\$18.25/ton

Woodland Equipment, Woodland, PA

2a	\$16.61/ton
2rc	\$19.11/ton

CITY OF SAINT MARYS COUNCIL WORKSESSION

APRIL 4, 2011

#3	\$20.41/ton
Anti-Skid	\$19.11/ton
1b	\$19.11/ton
2b	\$18.61/ton
DSA	\$18.61/ton

J.M. Delullo, Kersey, PA

2a	\$17.93/ton
2rc	\$17.63/ton
#3	\$19.78/ton
Anti-Skid	\$19.78/ton
1b	\$19.78/ton
2b	\$19.78/ton
DSA	\$20.83/ton

Bucktail Excavators, St. Marys, PA

2a	\$15.37/ton
2rc	\$15.37/ton
#3	\$19.12/ton
Anti-Skid	\$18.62/ton
1b	\$18.37/ton
2b	\$18.12/ton
DSA	\$18.62/ton

Steven Samick, Street Superintendent, recommended the bid be awarded to Mike Beaver Trucking of Ridgway as the overall low bidder.

Motion Passed

Dennis Nero made a motion to award the bid for stone to Mike Beaver Trucking as recommended by the Street Superintendent, seconded by Richard Dornisch, and all were in favor.

Dust Control

Manager Greene stated the following bids were opened during a public meeting held on Monday, March 28, 2011 at City Hall:

Jefferson Paving, Brookville, PA

E2/E3-	\$2.08
MC70-	\$3.295
MC30-	\$3.295

HRI, Inc. State College, PA

E2/E3-	\$2.26
MC70-	\$3.48
MC30-	\$3.48

Steven Samick, Street Superintendent, recommended the bid be awarded to Jefferson Paving of Brookville as overall low bidder.

Motion Passed

Richard Gabler, Jr. made a motion to award the bid to Jefferson Paving of Brookville, seconded by Bob Roberts, and all were in favor.

Approval of 2010 CDBG Modifications

Approval was requested for the following 2010 CDBG Modifications:

City of St. Marys Redevelopment Authority Slum/Blight Project- Modify activity description to include "Spot Blighted" projects.

CITY OF SAINT MARYS COUNCIL WORKSESSION

APRIL 4, 2011

City of St. Marys Housing Rehabilitation Projects-
Modify activity description to include renovations to
rental properties within the central business district.

Motion

Daniel Hepner made a motion to approve the 2010
CDBG Modifications, seconded by Richard Gabler, Jr.,

Discussion

Daniel Hepner wanted to clarify the year for
modifications as 2010 or 2011 and Ms. Gradizzi
responded 2010.

Motion Passed

All were in favor to approve the 2010 CDBG
Modifications.

Approval to close a portion of Market
Street, re: Outhouse Races- May 14,
2011- 1:00 – 8:00 p.m.

Kevin O'Leary, representing the Outhouse Race
Committee, approached Council and presented the
following requests for the 2nd Annual Kick the Crap Out
of MS Outhouse Races event to be held on Saturday,
May 14, 2011.

The closure of a portion of Market Street, from the
entrance to the municipal parking lot to the top end of
Market Street towards the Diamond, from 1:00 p.m.
until 8:00 p.m., to allow for set-up and clean-up.

The parking meters to be bagged throughout the same
above mentioned area.

Motion Passed

Richard Dornisch made a motion to approve the
requests, seconded by Dennis Nero and all were in
favor.

Added Request

Mr. O'Leary requested the Open container Law also be
waived for the above listed location and time.

Amended Motion Passed

Richard Dornisch amended his motion to waive the
Open Container Law only for the previously mentioned
date, time and specified location, Dennis Nero amended
his second, and all were in favor.

City Bond Refinancing

Refinancing of the 2006 City Bond was presented for
consideration with the following details:

Councilman Hepner presented the following updated
information regarding the Airport Authority debt being
included in the City Bond Refinancing:

The City's Bond Counsel had stated that the plan to
refinance the airport loans out to 2025, the term of the
City new bond refinancing, is not permitted under the
Debt Act. Specifically the wording from counsel is as
follows:

The debt act involves a certain test, requiring any
extension of previously incurred debt (whether it is a
bank loan or a bond) to meet the so called 6% test,
whereby the original note(s) can only be extended
provided the original notes when structured and
amortized using a 6% level annual debt structure does
not exceed the principal amounts of the refunding bonds
allocated to refund and refinance this prior debt , as
reformatted under this 6 % amortization schedule.

CITY OF SAINT MARYS COUNCIL WORKSESSION

APRIL 4, 2011

Since the Airport notes cannot meet this test they are not a viable permitted refunding under the act.

“The longer term and more favorable rate were key to the proposed refinancing in terms of providing additional cash flow and although we can’t finance out for the full term of the bonds, we are permitted to refinance through the remaining term of the existing loans”. Below is a comparison of the two proposals

Original Proposal

Net Cost to the Airport	(\$10,600)
Net Present Value	\$4,300
Additional 8 Yr. Cash Flow	\$58,500
Term	14 Years

Current Proposal

Net Savings to the Airport	\$12,500
Net Present Value	\$11,900
Additional 5 Yr. Cash Flow	\$15,900
Term	8 Years

The shorter term translates into a big drop in cash flow of approximately \$43,000. Councilman Hepner believed while not as good from a cash flow standpoint, the savings alone were more than enough to justify the refinancing.

Manager Greene stated the following:

The 2006 Bond refinancing would also include the 2007 Aerial Truck, 2009 Street Department Equipment, 2005 (2) National City building, and (2) Airport, loans. The refinancing would not change the term of the loans.

Bob Roberts made a motion to approve the refinance of the 2006 City Bond including the above noted debt, seconded by Dennis Nero, and all were in favor.

TOPICS FOR DISCUSSION

Use of brine in place of limestone for anti-skid control

Councilman Roberts proposed to Council they consider the use of brine (salt) in place of limestone for anti-skid control.

Steve Samick

Steve Samick, Street Superintendent, provided Council with information regarding the use of brine in place of the limestone. He stated a reduction in material and a faster reaction time were two of the possible positive aspects.

Councilman Dornisch

Councilman Dornisch stated his concerns regarding the long term use of brine and if it was truly more environmentally friendly.

Motion

Bob Roberts made a motion to direct City staff to prepare a cost analogy of the use of brine instead of anti-skid, seconded by Daniel Hepner.

Discussion

Councilman Hepner was concerned with the lower temperatures and how it would affect application rates.

Motion Passed

All were in favor to direct City staff to prepare the cost analogy.

CITY OF SAINT MARYS COUNCIL WORKSESSION

APRIL 4, 2011

Request from St. Marys In-Town
Gardeners
(added to agenda)

Manager Greene stated a request was received from the St. Marys In-Town Gardeners for a total of \$300.00 to purchase their annual supply of flowers for the downtown area. This was an annual request.

Bob Roberts made a motion to approve the request of In-Town Gardeners for \$300.00, seconded by Richard Dornisch, and all were in favor.

**CITIZEN COMMENTS ON NON-
AGENDA TOPICS**

There were no citizen comments on non-agenda topics.

COUNCIL COMMENTS

Councilman Dornisch

Councilman Dornisch expressed his concerns with his interpretation of the Home Rule Charter language, regarding a Councilmember's term limit and when a former Councilmember would be eligible to run for office again. He again stated his position regarding term limits. He requested clarification of the Home Rule Charter language as to when a Councilmember that has served two consecutive terms, would be eligible to run for office.

Councilman Roberts

Councilman Roberts stated his disagreement with Councilman Dornisch. He believed a Councilmember should be eligible to run at the next election. He also stated his concerns with the current Council worksession. He requested Council consider the worksession be utilized like a workshop in order to provide for more discussion, long range planning, and better communication with the City's Authorities, Boards and Commissions.

Mayor Geyer

Mayor Geyer commented she was in agreement with Councilman Dornisch regarding term limits. She believed if individuals were asked, they would agree to serve on Boards.

Tom Farley

Tom Farley, former Councilman, approached Council in response to Councilman Dornisch's comments. Mr. Farley stated he was seeking another term as a Councilmember and believed the Home Rule Charter did not state that he could not run for office, nor did it state how long he had to "sit out".

Council had a lengthy discussion regarding term limits and a Councilmember's eligibility to run for another term.

ANNOUNCEMENTS

Mayor Geyer made the following announcements:

- The next Council meeting will be Monday, April 18, 2011 at 7:00 p.m. at City Hall.

ADJOURNMENT

Richard Dornisch made a motion to adjourn the meeting.

Lorrie Lewanduski
Recording Secretary

Mayor